

Msukaligwa Municipality

Financial Statements for the year ended June 30, 2009

Appendixes

Msukaligwa Municipality

Financial Statements for the year ended June 30, 2009

Appendix A

Schedule of external Loans as at 30 June 2009

| External Loans | Loan number | Redeemable | Balance at 30 June 2008 | Received during the year | Redeemed or written off during period | Balance at 30 June 2009 | Carrying value of Property, plant & equipment | Other costs in accordance with MFMA |
|----------------------------|---------------|-----------------|-------------------------|--------------------------|---------------------------------------|-------------------------|---|-------------------------------------|
| Long Term Loans | | | | | | | | |
| None | | | - | - | - | - | - | - |
| Annuity Loans | | | | | | | | |
| DBSA 13.56% | 12600 & 12181 | 30 June 2014 | 98,630 | - | (11,556) | 87,074 | 41,990 | - |
| Total Annuity Loans | | | 98,630 | - | (11,556) | 87,074 | 41,990 | - |
| Bankfin Loans | | | | | | | | |
| | 60890973 | 1 February 2008 | - | - | - | - | - | - |
| | 64934207 | 1 June 2009 | 17,253 | - | (17,253) | - | 7,325 | - |
| | 64934185 | 1 June 2009 | 17,253 | - | (17,253) | - | 7,914 | - |
| | 64934193 | 1 June 2009 | 17,253 | - | (17,253) | - | 7,914 | - |
| | 64934177 | 1 June 2009 | 26,302 | - | (26,302) | - | 15,949 | - |
| | 64934045 | 1 June 2009 | 15,966 | - | (15,966) | - | 11,200 | - |
| | 64934053 | 1 June 2009 | 15,966 | - | (15,966) | - | 10,155 | - |
| | 64934010 | 1 June 2009 | 15,964 | - | (15,964) | - | 10,266 | - |
| | 64934029 | 1 June 2009 | 15,966 | - | (15,966) | - | 10,266 | - |
| | 94934037 | 1 June 2009 | 15,966 | - | (15,966) | - | 10,266 | - |
| | 66443480 | 1 January 2010 | - | - | - | - | - | - |
| Total Bankfin Loans | | | 157,889 | - | (157,889) | - | 91,255 | - |

Msukaligwa Municipality

Financial Statements for the year ended June 30, 2009

Appendix A...continue External Loans

Stannic Loans

| Loan number | Redeemable | Balance at 30 June 2008 | Received during the year | Redeemed or written off during period | Balance at 30 June 2009 | Carrying value of Property, plant & equipment | Other costs in accordance with MFMA |
|---------------------|-----------------|-------------------------|--------------------------|---------------------------------------|-------------------------|---|-------------------------------------|
| 68195249-0002 | 1 May 2010 | 342,437 | - | (168,220) | 174,187 | - | - |
| 68195249-0003 | 1 July 2010 | 100,258 | - | (44,778) | 55,480 | - | - |
| 68195249-0004 | 1 August 2010 | 81,895 | - | (33,427) | 48,468 | - | - |
| 68195249-0007 | 1 December 2011 | 108,596 | - | (26,162) | 82,434 | 40,349 | - |
| 68195249-0008 | 1 January 2012 | 232,536 | - | (54,576) | 177,960 | 40,349 | - |
| 68195249-0009 | 1 January 2012 | 232,536 | - | (54,576) | 177,960 | 198,041 | - |
| 68195249-0010 | 1 February 2012 | 323,796 | - | (73,908) | 249,888 | 198,041 | - |
| 68195249-0011 | 1 March 2012 | 116,355 | - | (26,710) | 90,655 | 129,564 | - |
| 68195249-0012 | 1 June 2012 | 165,038 | - | (33,798) | 131,240 | 48,239 | - |
| 68195249-0014 | 1 June 2012 | 164,944 | - | (33,818) | 131,126 | 134,955 | - |
| 68195249-0015 | 1 July 2013 | - | 149,382 | (19,764) | 129,618 | 89,629 | - |
| 68195249-0016 | 1 July 2013 | - | 149,382 | (19,765) | 129,617 | 94,608 | - |
| 68195249-0017 | 1 July 2013 | - | 218,225 | (28,872) | 189,353 | 130,935 | - |
| 68195249-0018 | 1 July 2013 | - | 96,734 | (12,833) | 83,901 | 61,285 | - |
| 68195249-0019 | 1 July 2013 | - | 203,000 | (27,073) | 175,927 | 128,567 | - |
| 68195249-0020 | 1 July 2013 | - | 203,000 | (27,073) | 175,927 | 128,567 | - |
| 68195249-0021 | 1 July 2013 | - | 96,755 | (13,074) | 83,681 | 61,278 | - |
| 68195249-0023 | 1 July 2013 | - | 399,308 | (54,237) | 345,071 | 252,895 | - |
| 68195249-0024 | 1 August 2013 | - | 355,095 | (42,261) | 312,834 | 236,730 | - |
| 68195249-0025 | 1 August 2013 | - | 149,415 | (30,956) | 118,459 | 94,629 | - |
| 68195249-0026 | 1 August 2013 | - | 149,382 | (30,953) | 118,429 | 94,608 | - |
| 68195249-0027 | 1 August 2013 | - | 203,000 | (42,506) | 160,494 | 135,333 | - |
| 68195249-0028 | 1 August 2013 | - | 203,000 | (42,137) | 160,863 | 135,333 | - |
| 68195249-0030 | 1 October 2013 | - | 98,804 | (17,379) | 81,425 | 65,869 | - |
| 68195249-0031 | 1 October 2013 | - | 96,785 | (17,235) | 79,550 | 64,524 | - |
| 68195249-0032 | 1 October 2013 | - | 98,804 | (17,378) | 81,426 | 65,869 | - |
| 68195249-0033 | 1 October 2013 | - | 98,804 | (17,379) | 81,425 | 65,869 | - |
| 68195249-0034 | 1 October 2013 | - | 150,674 | (26,759) | 123,915 | 100,449 | - |
| 68195249-0035 | 1 October 2013 | - | 98,804 | (17,416) | 81,388 | 65,869 | - |
| 68195249-0036 | 1 April 2014 | - | 332,320 | (5,912) | 326,408 | 288,011 | - |
| Total Stannic Loans | | 1,976,987 | 3,550,673 | (1,086,097) | 4,441,543 | 3,285,330 | - |
| | | 2,233,486 | 3,550,673 | (1,255,542) | 4,528,617 | 3,418,575 | - |

Msukaligwa Municipality

Financial Statements for the year ended June 30, 2009

Appendix B

Analysis of Property, Plant and Equipment as at 30 June 2009

| Sector / Sub-sector | Opening balance | Additions | Cost / Revaluation Under Construction | Correction of error | Closing balance | Opening balance | Accumulated Depreciation | | Closing balance | Carrying value |
|-----------------------|-----------------|------------|---------------------------------------|---------------------|-----------------|-----------------|--------------------------|-----------|-----------------|----------------|
| | | | | | | | Additions | Disposals | | |
| Land | | | | | | | | | | |
| Emven | 7,528,213 | - | - | - | 7,528,213 | - | - | - | - | 7,528,213 |
| Agricultural | 874,428 | - | - | - | 874,428 | - | - | - | - | 874,428 |
| | 8,402,641 | - | - | - | 8,402,641 | - | - | - | - | 8,402,641 |
| Infrastructure | | | | | | | | | | |
| Water Reutilization | 77,852,685 | 8,784,901 | 2,744,396 | - | 89,381,982 | 20,202,302 | 3,987,793 | - | 24,190,095 | 65,191,887 |
| Security Measures | 630,773 | 1,008,399 | - | - | 1,639,172 | 516,739 | 116,718 | - | 633,507 | 1,005,665 |
| Sewerage | 51,673,810 | 79,375 | 2,884,608 | - | 54,637,793 | 21,972,489 | 2,385,239 | - | 24,337,728 | 30,300,065 |
| Roads and Storm water | 94,761,915 | 2,669,382 | 311,544 | - | 97,742,841 | 58,371,006 | 4,724,078 | - | 63,095,084 | 34,647,757 |
| Pedestrian Malls | 677,641 | - | - | - | 677,641 | 546,097 | 29,031 | - | 575,128 | 102,513 |
| Electricity | 47,262,309 | 144,502 | 461,222 | - | 47,868,033 | 30,503,643 | 1,704,115 | - | 32,207,758 | 15,660,275 |
| Airport | 968,321 | - | - | - | 968,321 | 33,471 | - | - | 33,471 | 934,850 |
| | 273,827,454 | 12,686,559 | 6,401,770 | - | 292,915,783 | 132,145,797 | 12,926,974 | - | 145,072,771 | 147,843,012 |
| Community Assets | | | | | | | | | | |
| Recreation Grounds | 5,639,293 | 16,573 | - | - | 5,655,866 | 720,237 | 96,735 | - | 816,972 | 4,838,894 |
| Community Buildings | 13,426,306 | 1,917,060 | 220,000 | (164,095) | 15,399,271 | 2,607,140 | 304,900 | - | 2,912,040 | 12,487,231 |
| | 19,065,599 | 1,933,633 | 220,000 | (164,095) | 21,055,137 | 3,327,377 | 401,635 | - | 3,729,012 | 17,326,125 |
| Heritage Assets | | | | | | | | | | |
| Monuments | 1,830 | - | - | - | 1,830 | 1,830 | - | - | 1,830 | - |
| Paintings | 10,000 | - | - | - | 10,000 | 5,000 | 1,000 | - | 6,000 | 4,000 |
| | 11,830 | - | - | - | 11,830 | 6,830 | 1,000 | - | 7,830 | 4,000 |

Msukaligwa Municipality

Financial Statements for the year ended June 30, 2009

Appendix B...continue

| Sector / Sub-sector | Opening balance | Additions | Cost / Revaluation Under Construction | Correction of error | Closing balance | Opening balance | Accumulated Depreciation Additions | Disposals | Closing balance | Carrying value |
|------------------------|-----------------|------------|---------------------------------------|---------------------|-----------------|-----------------|------------------------------------|-----------|-----------------|----------------|
| Other Assets | | | | | | | | | | |
| Bins and Containers | 646,659 | 317,200 | - | - | 963,859 | 269,882 | 85,674 | - | 355,556 | 608,303 |
| Other Buildings | 15,422,866 | 5,263 | - | - | 15,428,129 | 249,310 | 38,116 | - | 287,426 | 15,140,703 |
| Emergency Equipment | 1,007,628 | 3,447 | - | - | 1,011,075 | 617,353 | 53,531 | - | 670,884 | 340,191 |
| Furniture and Fittings | 2,253,783 | 496,311 | 174,355 | - | 2,924,449 | 1,425,972 | 310,026 | - | 1,735,998 | 1,188,451 |
| Motor Vehicles | 8,782,467 | 3,650,672 | - | - | 12,333,139 | 6,155,412 | 1,519,510 | - | 7,674,922 | 4,688,217 |
| Office Equipment | 10,579,420 | 1,252,810 | - | - | 11,832,230 | 6,195,825 | 2,391,317 | - | 8,587,142 | 3,245,088 |
| Plant and Equipment | 9,634,646 | 348,058 | - | - | 9,982,704 | 6,622,671 | 745,408 | - | 7,368,079 | 2,614,625 |
| | 48,327,469 | 5,973,761 | 174,355 | - | 54,475,585 | 21,536,425 | 5,143,582 | - | 26,680,007 | 27,795,578 |
| | 349,634,993 | 20,593,953 | 6,796,125 | (164,095) | 376,860,976 | 157,016,429 | 18,473,191 | - | 175,489,620 | 201,371,356 |

Msukaligwa Municipality

Financial Statements for the year ended June 30, 2009

Appendix C

Segmental analysis of Property, Plant and Equipment as at 30 June 2009

| Department | Opening balance | Additions | Cost / Revaluation Under Construction | Disposals | Closing balance | Opening balance | Accumulated Depreciation Additions | Disposals | Closing balance | Carrying value |
|-----------------------------|-----------------|-----------|---------------------------------------|-----------|-----------------|-----------------|------------------------------------|-----------|-----------------|----------------|
| Director Town Engineer | 48,551 | 13,161 | - | - | 61,712 | 4,260 | 22,336 | - | 26,596 | 35,116 |
| Public Works | 91,456,499 | 3,462,153 | 311,544 | - | 95,230,196 | 56,425,519 | 4,832,960 | - | 61,258,479 | 33,971,717 |
| Town Planning and Building | 531,866 | 20,238 | - | - | 552,104 | 330,582 | 156,705 | - | 487,287 | 64,817 |
| Street Lights | 2,226,438 | - | - | - | 2,226,438 | 1,067,509 | 101,115 | - | 1,168,624 | 1,057,814 |
| Airport | 1,088,979 | - | - | - | 1,088,979 | 154,129 | - | - | 154,129 | 934,850 |
| Sewerage Network | 59,135,522 | 378,172 | - | - | 59,513,694 | 27,058,432 | 2,816,222 | - | 29,874,654 | 29,639,040 |
| Water Network | 71,289,387 | 5,128,887 | 2,744,396 | - | 79,162,670 | 19,691,285 | 3,581,825 | - | 23,273,110 | 55,889,560 |
| Water Purification | 5,965,051 | 1,225,815 | - | - | 7,190,866 | - | 328,898 | - | 328,898 | 6,861,968 |
| Electricity | 47,379,253 | 1,321,535 | 461,222 | - | 49,162,010 | 30,515,585 | 1,931,538 | - | 32,447,124 | 16,714,886 |
| Director Public Safety | 51,119 | 92,722 | - | - | 143,841 | 26,257 | 21,004 | - | 47,261 | 96,580 |
| Fire Brigade Services | 2,810,687 | 954,741 | - | - | 3,765,428 | 1,784,465 | 170,011 | - | 1,954,477 | 1,810,951 |
| Safety and Security | 422,922 | - | - | - | 422,922 | 327,047 | 45,924 | - | 372,971 | 49,951 |
| Licensing | 1,187,329 | 396,660 | - | - | 1,583,989 | 621,719 | 106,965 | - | 728,684 | 855,305 |
| Traffic | 1,680,069 | 367,686 | - | - | 2,047,755 | 1,037,659 | 225,932 | - | 1,263,591 | 784,164 |
| Parking Meters | 441,228 | - | - | - | 441,228 | 242,675 | 22,061 | - | 264,736 | 176,492 |
| Director Comm. & Health | 15,000 | 31,930 | - | - | 46,930 | 5,000 | 8,502 | - | 13,502 | 33,428 |
| Cemeteries | 804,608 | 1,658,407 | 220,000 | - | 2,683,015 | 84,989 | 137,567 | - | 222,556 | 2,460,459 |
| Parks and Grounds | 3,142,434 | 521,028 | - | (164,095) | 3,499,367 | 939,629 | 243,200 | - | 1,182,829 | 2,316,538 |
| Environmental Health | 362,943 | 162,168 | - | - | 525,111 | 333,243 | 19,058 | - | 352,306 | 172,805 |
| Clinics | 1,430,481 | 7,900 | - | - | 1,438,381 | 103,549 | 14,985 | - | 118,534 | 1,319,847 |
| Tuberculosis Hospital | 240,702 | 29,946 | - | - | 270,648 | 49,431 | 9,269 | - | 58,700 | 211,948 |
| Welfare | 6,050 | 900 | - | - | 6,950 | 6,050 | 75 | - | 6,125 | 825 |
| Refuse Removal | 5,546,060 | 683,436 | - | - | 6,229,496 | 2,993,381 | 579,455 | - | 3,572,836 | 2,656,660 |
| Housing | 2,908,202 | 219,894 | - | - | 3,128,096 | 488,230 | 71,290 | - | 559,520 | 2,568,576 |
| Staff Flats | 1,031,362 | - | - | - | 1,031,362 | - | - | - | - | 1,031,362 |
| Director Corporate Services | 100,882 | - | - | - | 100,882 | 17,485 | 37,327 | - | 54,812 | 46,070 |
| Mechanical Workshop | 1,655,734 | - | - | - | 1,655,734 | 774,953 | 79,614 | - | 854,572 | 801,162 |
| Civic Centre | 6,210,631 | 409,467 | 174,355 | - | 6,794,453 | 221,263 | 45,255 | - | 266,523 | 6,527,930 |
| Administration | 7,146,066 | 53,659 | - | - | 7,199,725 | 3,633,597 | 1,744,063 | - | 5,377,660 | 1,822,065 |
| Human Resources | 204,121 | 92,901 | - | - | 297,022 | 139,713 | 39,928 | - | 179,646 | 117,376 |
| Municipal Manager | 177,507 | 57,497 | - | - | 235,004 | 129,749 | 24,762 | - | 154,511 | 80,493 |
| ID P | 59,205 | 11,140 | - | - | 70,345 | 33,585 | 6,763 | - | 40,348 | 29,997 |
| Council General | 18,467,987 | 113,755 | - | - | 18,581,742 | 1,902,900 | 127,841 | - | 2,030,741 | 16,551,001 |

- 45 -
The supplementary information presented does not form part of the financial statements and is unaudited

Msukaligwa Municipality
Financial Statements for the year ended June 30, 2009
Appendix C...continue

| Department | Opening balance | Additions | Cost / Revaluation Under Construction | Disposals | Closing balance | Opening balance | Accumulated Depreciation Additions | Disposals | Closing balance | Carrying value |
|-----------------------------|--------------------|-------------------|---------------------------------------|------------------|--------------------|--------------------|------------------------------------|-----------|--------------------|--------------------|
| Councillors | 860,294 | - | - | - | 860,294 | 685,245 | 107,020 | - | 792,265 | 68,029 |
| Director Finance | 36,278 | 19,149 | - | - | 55,427 | 15,423 | 16,198 | - | 31,621 | 23,806 |
| Municipal Stores | 191,634 | - | - | - | 191,634 | 33,285 | - | - | 33,285 | 158,349 |
| Finance | 1,629,515 | 830,130 | - | - | 2,459,645 | 1,337,418 | 247,743 | - | 1,585,161 | 874,484 |
| Marketing and Communication | 347,863 | - | - | - | 347,863 | 266,712 | 40,180 | - | 306,892 | 40,971 |
| Libraries | 274,171 | - | - | - | 274,171 | 200,267 | 8,723 | - | 208,990 | 65,181 |
| Swimming Pool | 1,000,012 | - | - | - | 1,000,012 | 13,271 | - | - | 13,271 | 986,741 |
| Sport Fields General | 6,839,925 | - | - | - | 6,839,925 | 2,769,991 | 216,885 | - | 2,986,876 | 3,853,049 |
| Golf Course | 1,327,309 | - | - | - | 1,327,309 | 399,585 | 32,355 | - | 431,940 | 895,369 |
| Sport and Recreation | 1,858,971 | - | - | - | 1,858,971 | 107,194 | 12,304 | - | 119,498 | 1,739,473 |
| Local Economic Development | 44,146 | - | - | - | 44,146 | 44,146 | - | - | 44,146 | - |
| Sewerage Purification | - | 1,409,544 | 2,884,608 | - | 4,294,152 | - | 96,120 | - | 96,120 | 4,198,032 |
| Libraries | - | 249,556 | - | - | 249,556 | - | 29,790 | - | 29,790 | 219,766 |
| Sport & Recreation | - | 124,061 | - | - | 124,061 | - | 40,419 | - | 40,419 | 83,642 |
| Sport Fields General | - | 406,000 | - | - | 406,000 | - | 67,667 | - | 67,667 | 338,333 |
| Marketing & Communication | - | 9,098 | - | - | 9,098 | - | 1,181 | - | 1,181 | 7,917 |
| Integrated Management | - | 26,909 | - | - | 26,909 | - | 2,691 | - | 2,691 | 24,218 |
| Project Management Unit | - | 103,708 | - | - | 103,708 | - | 1,465 | - | 1,465 | 102,243 |
| | 349,634,993 | 20,593,953 | 6,796,125 | (164,095) | 376,860,976 | 157,016,429 | 18,473,191 | - | 175,489,620 | 201,371,356 |

Msukaligwa Municipality

Financial Statements for the year ended June 30, 2009

Appendix D

Segmental Statement of Financial Performance for the year ended 30 June 2009

| | 2008 Actual Income R | 2008 Actual Expenditure R | 2008 Surplus (Deficit) R | Segments | 2009 Actual Income R | 2009 Actual Expenditure R | 2009 Surplus (Deficit) R |
|--|-------------------------------|------------------------------------|-----------------------------------|---|-------------------------------|------------------------------------|-----------------------------------|
| | 42,378,239 | 29,162,951 | 13,215,288 | Executive & Council | 54,102,247 | 30,559,973 | 23,542,274 |
| | 44,547,563 | 30,053,390 | 14,494,173 | Finance & Admin | 42,758,278 | 33,848,287 | 8,909,991 |
| | 1,257,068 | 1,944,522 | (687,454) | Planning & Development | 328,444 | 4,541,318 | (4,212,874) |
| | 3,174,965 | 6,363,424 | (3,188,459) | Health | 4,510,174 | 5,012,575 | (502,401) |
| | 758,285 | 6,639,445 | (5,881,160) | Community & Social Services | 2,570,348 | 7,148,799 | (4,578,451) |
| | 1,684,645 | 1,865,156 | (180,511) | Housing | 1,346,896 | 1,784,852 | (437,956) |
| | 899,648 | 8,284,571 | (7,384,923) | Public Safety | 1,810,385 | 9,147,510 | (7,337,125) |
| | 746,048 | 6,378,474 | (5,632,426) | Sport & Recreation | 24,783 | 7,543,760 | (7,518,977) |
| | 24,127,234 | 27,400,644 | (3,273,410) | Waste Management | 28,061,992 | 29,940,114 | (1,878,122) |
| | 8,845,256 | 13,760,761 | (4,915,505) | Road Transport | 7,532,865 | 14,428,366 | (6,895,501) |
| | 31,642,709 | 21,961,816 | 9,680,893 | Water | 32,283,656 | 26,198,611 | 6,085,045 |
| | 65,948,605 | 59,755,433 | 6,193,172 | Electricity | 65,025,733 | 71,335,287 | (6,309,554) |
| | 73,586 | 22,575 | 51,011 | Other | 78,427 | 40,858 | 37,569 |
| | 226,083,851 | 213,593,162 | 12,490,689 | TOTAL | 240,434,228 | 241,530,310 | (1,096,082) |
| | | | | Less Inter-Dep. Charges | (11,404,491) | (11,404,491) | - |
| | | | | Less Amortization Debtors (Current year) | (3,336,673) | | |
| | | | | Plus Amortization Debtors (Prior year) | 3,385,593 | | |
| | | | | TOTAL | 229,078,657 | 230,125,819 | (1,047,162) |

Inter-departmental charges taken into account at each level of GFS function

Msukaligwa Municipality

Financial Statements for the year ended June 30, 2009

Appendix E (1)

Unaudited - Revenue and expenditure - Actual versus Budget - for the year ended 30 June 2009

| | Actual R | Budget R | Variance R | Variance % | Explanation of significant variances greater than 10% versus budget |
|---|--------------------|--------------------|---------------------|-----------------|--|
| Revenue | | | | | |
| Property rates | 31,564,178 | 31,662,895 | (98,717) | (0.31)% | |
| Service charges | 100,509,782 | 104,674,697 | (4,164,915) | (3.98)% | |
| Government Grants and Subsidies - operating | 58,190,352 | 62,297,551 | (4,107,199) | (6.59)% | |
| Government Grants and Subsidies - capital | 19,934,952 | 31,563,950 | (11,628,998) | (36.84)% | GSDM projects in progress not capitalised |
| Fines | 800,693 | 1,016,830 | (216,137) | (21.26)% | Low law enforcement capacity |
| Interest earned - external investments | 1,756,391 | 1,240,000 | 516,391 | 41.64 % | Higher amounts invested during year |
| Interest earned - outstanding debtors | 6,557,035 | 7,889,797 | (1,332,762) | (16.89)% | Debtors handed over - interest charges collectors |
| Rental of facilities and equipment | 1,259,814 | 1,237,835 | 21,979 | 1.78 % | |
| Licenses and permits | 1,935,828 | 1,415,000 | 520,828 | 36.81 % | License fees escalation / Increased demand |
| Income for agency services | 2,121,057 | 1,700,000 | 421,057 | 24.77 % | Increased performance |
| Gains on disposal of Property, Plant and Equipment | 422,471 | 3,503,930 | (3,081,459) | (87.94)% | Low sales of fixed property |
| Other income | 3,952,315 | 6,273,488 | (2,321,173) | (37.00)% | |
| Total Revenue | 229,004,868 | 254,475,973 | (25,471,105) | (10.01)% | |

Msukaligwa Municipality

Financial Statements for the year ended June 30, 2009

Appendix E (1) ...continue

| | Actual R | Budget R | Variance R | Variance % | Explanation of significant variances greater than 10% versus budget |
|---|----------------------|----------------------|---------------------|----------------|--|
| Expenditure | | | | | |
| Employee related cost | (84,384,656) | (90,730,995) | 6,346,339 | (6.99)% | |
| Remuneration Councillors | (6,531,765) | (6,438,735) | (93,030) | 1.44 % | |
| General expenses - other | (29,584,376) | (38,149,054) | 8,564,678 | (22.45)% | Various savings on expenditure |
| Interest on external borrowings | (621,596) | (731,000) | 109,404 | (14.97)% | Interest rates lower than expected |
| Bulk purchases | (50,016,167) | (43,353,600) | (6,662,567) | 15.37 % | Cost of electricity higher than budget |
| Contracted services | (12,934,210) | (12,748,539) | (185,671) | 1.46 % | |
| Loss on disposal of Property, Plant and Equipment | - | (177) | 177 | (100.00)% | No sales |
| Collection cost | (882,738) | (800,000) | (82,738) | 10.34 % | Cost based on collections |
| Repairs and maintenance | (12,495,125) | (13,029,359) | 534,234 | (4.10)% | |
| Depreciation | (18,473,192) | (16,145,565) | (2,327,627) | 14.42 % | More assets from grants depreciated |
| Doubtful debts | (10,475,910) | (10,475,910) | - | - % | |
| Contributions to / (transfers from) provisions | (619,197) | (1,688,885) | 1,069,488 | (63.33)% | Contributions more than expenditure |
| Transfer to Non-current liability (Provision pensioners) | (3,082,018) | (2,953,530) | (128,488) | 4.35 % | |
| Total Expenditure | (230,100,950) | (237,245,149) | 7,144,199 | (3.01)% | |
| Less Amortization Debtors | (3,336,673) | | | | |
| Plus Amortisation Debtors (Prior year) | 3,365,593 | | | | |
| Net surplus / (Deficit) for the year | (1,047,162) | 17,230,824 | (18,277,986) | (1.06)% | |

Msukaigwa Municipality

Financial Statements for the year ended June 30, 2009

Appendix E (2)

Unaudited - Acquisition of Property, Plant and Equipment - Actual versus Budget - for the year ended 30 June 2009

| | Actual R | Under construction R | Total Additions R | Budget R | Variance R | Variance % | Explanation of significant variances greater than 10% versus budget |
|-------------------------|-------------|----------------------------|----------------------|-------------|---------------|---------------|---|
| Investment properties | | | | | | | |
| Even | - | - | - | - | - | DIV/0 % | |
| Farming land | - | - | - | - | - | DIV/0 % | |
| | - | - | - | - | - | | |
| Infrastructure | | | | | | | |
| Electricity | 144,502 | 481,222 | 605,724 | 987,867 | (382,143) | (38.68)% | Projects still under construction |
| Roads and storm water | 2,669,382 | 311,544 | 2,980,926 | 3,083,945 | (103,019) | (3.34)% | Projects still under construction |
| Sewerage | 79,376 | 2,884,608 | 2,963,984 | 3,000,000 | (36,016) | (1.20)% | Projects still under construction |
| Security measures | 1,008,399 | - | 1,008,399 | 1,048,415 | (40,016) | (3.82)% | Project completed - lower quotation |
| Water | 8,784,901 | 2,744,396 | 11,529,297 | 12,127,792 | (598,495) | (4.93)% | Projects still under construction |
| | 12,686,560 | 6,401,770 | 19,088,330 | 20,248,019 | (1,159,689) | | |
| Community assets | | | | | | | |
| Community buildings | 1,917,060 | 220,000 | 2,137,060 | 2,486,958 | (349,898) | (14.07)% | Project still under construction |
| Recreational facilities | 16,573 | - | 16,573 | 43,254 | (26,681) | (61.68)% | Project completed - lower quotation from 0708 |
| | 1,933,633 | 220,000 | 2,153,633 | 2,530,212 | (376,579) | | |
| Heritage assets | | | | | | | |
| Other Assets | | | | | | | |
| Bins and containers | 317,200 | - | 317,200 | 317,200 | - | - | Project completed |
| Buildings | 5,263 | - | 5,263 | 5,263 | - | - | Project completed |
| Emergency equipment | 3,447 | - | 3,447 | 3,447 | - | - | Project completed |
| Furniture and fittings | 496,311 | 174,355 | 670,666 | 680,000 | (9,334) | (1.37)% | Project completed - lower quotation |
| Motor vehicles | 3,550,673 | - | 3,550,673 | 3,550,673 | - | - | Project completed |
| Office equipment | 1,252,810 | - | 1,252,810 | 1,252,810 | - | - | Project completed |
| Plant and equipment | 348,059 | - | 348,059 | 1,560,346 | (1,212,287) | (77.69)% | Project still under construction |
| | 5,973,763 | 174,355 | 6,148,118 | 7,369,739 | (1,221,621) | | |

Msukaligwa Municipality

Financial Statements for the year ended June 30, 2009

| | | | | |
|------------|-----------|------------|------------|-----------|
| 20,593,956 | 6,796,125 | 27,390,081 | 30,147,970 | (2,757,88 |
|------------|-----------|------------|------------|-----------|

Appendix F

Grants and subsidies received and expenditure for grants and subsidies for the year ended 30 June 2009

| Name of Grant | Organ of State or Municipality | Opening balance | Quarterly receipts | | | Total amount received | Quarterly expenditure | | | Closing balance | Grants delayed / withheld | Reasons for delay OR non-compliance | Complied with conditions |
|--|-----------------------------------|-----------------|--------------------|-----------|---------|-----------------------|-----------------------|---------|---------|-----------------|---------------------------|-------------------------------------|--------------------------|
| | | | Sept | Dec | March | June | Sept | Dec | March | June | | | |
| Bulk sewer | Dept. Local Gov | 1,550,438 | - | - | - | - | - | - | - | 1,222,694 | - | Carried over to 09/10 | Yes |
| Nganga & Housing MIG capital | MIG | 7,268,792 | 2,190,000 | 7,040,000 | - | 8,975,000 | - | - | - | 18,110,352 | - | Carried over to 09/10 | Yes |
| Drought relief | Dept. Water & Forestry (DWAF) | 530,789 | - | - | - | - | - | 325,000 | - | 175,000 | - | Carried over to 09/10 | Yes |
| Electricity ext. 32 | Dept. Mineral & Energy | 873,311 | - | - | - | - | - | - | - | 461,222 | - | Carried over to 09/10 | Yes |
| Grant Sesiube Hospital | Prov. Government | 293,799 | - | - | - | - | - | - | - | - | - | Carried over to 09/10 | Yes |
| Cleanest town competition | Prov. Government | 177,331 | - | - | - | - | 123,738 | - | - | - | - | Carried over to 09/10 | Yes |
| Library | Dept. Sport, Culture & Recreation | - | - | - | 500,000 | - | - | - | - | 220,059 | - | Carried over to 09/10 | Yes |
| Sub total Grants received General ledger | | 10,694,460 | 2,190,000 | 7,040,000 | 500,000 | 8,975,000 | 123,738 | 325,000 | - | 20,189,327 | - | | |
| Finance management grant - 2009/2010 | Prov. Government | - | - | 500,000 | - | - | 125,000 | 47,762 | - | 327,238 | - | Utilised within financial year | Yes |
| Municipal Systems Imprv. Grant 2009/2010 | Prov. Government | - | 735,000 | - | - | - | - | - | 329,095 | 405,905 | - | Utilised within financial year | Yes |
| Sub total Grants received Operational | | - | 735,000 | 500,000 | - | - | 125,000 | 47,762 | 329,095 | 733,143 | - | | |
| | | 10,694,460 | 2,925,000 | 7,540,000 | 500,000 | 8,975,000 | 248,738 | 372,762 | 329,095 | 20,922,470 | - | | |
| | | | | | | | | | | 21,873,065 | - | | |

4.1 Comments From The Audit Performance Committee

Not Available at time of print.

4.2 Report of The Auditor-General

Not Available at time of print.

| |
|---|
| 4.3 Comments From The Chief Financial Officer On The Report Of The Auditor-General On The Financial Statements Of Msukaligwa For The Year Ended 30 June 2009 |
| Not Available at time of print. |